

**Commercial Customs Operations Advisory Committee
Government Issue Paper
Next Generation Facilitation Subcommittee
21st Century Customs Framework Task Force**

June 2023



**U.S. Customs and
Border Protection**



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Office of Trade/Trade Policy and Programs
COAC Next Generation Facilitation Subcommittee
21st Century Customs Framework Task Force Issue Paper
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Action Required: Informational

Background:

- The 21st Century Customs Framework (21CCF) is CBP's modernization effort that seeks to position the agency for the future of trade through updates to CBP's Title 19 authorities.
- In pursuing the 21CCF legislative framework, CBP seeks to improve facilitation through a tech-enabled reimagined entry system, increase supply chain visibility, and enhance stakeholder coordination through expanded information-sharing. 21CCF will enable CBP to better protect national and economic security through modernized enforcement authorities that reach new and emerging actors in the 21st century trade environment.
- CBP kicked off 21CCF with a public meeting in March 2019.
- In 2021, CBP stood up the 21CCF Task Force under the Commercial Customs Operations Advisory Committee's (COAC) Next Generation Facilitation Subcommittee Working Group composed of representatives with a variety of roles and equities across the customs environment.
- Since reconvening in March 2022 under the 16th Term COAC, CBP has held 20 meetings with Task Force members to discuss 21CCF legislative discussion drafts as well as industry-identified proposals that seek to enhance facilitation and benefits for lawful trade actors.
- Throughout these engagements, CBP has reviewed 21CCF policy positions and legislative discussion draft language to address industry feedback wherever possible.
- The 21CCF Task Force formally expressed support for 17 out of 23 21CCF legislative discussion drafts via COAC recommendations submitted in June and September 2022. In December 2022, the Task Force expressed opposition to one of the provisions and will be sharing a recommendation on the remaining five provisions today.
- The 21CCF Task Force shared 16 industry-authored modernization proposals for discussion with CBP in fall 2022. At the December 2022 COAC Public Meeting, the COAC voted for 21CCF Task Force members to continue discussing nine of these modernization proposals with CBP and any Partner Government Agencies (PGAs) as appropriate.
- Throughout FY2023, CBP has been coordinating with PGAs and the COAC to consider language that addresses COAC-prioritized, industry-identified modernization concepts falling within CBP's legal jurisdiction.

Issue:

- While some modernization progress can be made via regulatory, policy, and technical changes, legislative updates will be needed to truly unlock the transformative reform envisioned by 21CCF. Such updates should represent a range of stakeholder equities.
- CBP has drafted and circulated legislative discussion drafts to address trade modernization priorities and has sought the 16th Term COAC's leadership in the following:
 - Driving consensus recommendations on how CBP can statutorily address 21CCF challenges.

- Driving consensus recommendations on trade facilitation and other benefits that industry would like to see codified in law.
- Submitting recommendations through the COAC for CBP consideration.

Current Status:

- CBP and the 21CCF Task Force have worked to conclude consultations on 21CCF legislative discussion drafts and industry-identified modernization proposals before the June 2023 COAC Public Meeting.
- The 21CCF Task Force has prepared a final recommendation on the five 21CCF legislative discussion drafts that the COAC has not yet voted on as well as CBP's draft language addressing industry facilitation proposals.
 - In addition to sharing a final recommendation on 21CCF, the 21CCF Task Force was invited to publicly share a formal report that identifies additional facilitation-centric or transformative modernization concepts for CBP, PGA, or congressional consideration. The report may include sub-statutory ideas and statutory ideas that the COAC did not vote to prioritize in December 2022.
- There is congressional interest in 21CCF priorities and customs modernization legislation.
 - Members of the House Ways and Means Committee and Senate Finance Committee have expressed interest in advancing customs modernization legislation in 2023.
 - The Senate Finance Committee held a customs modernization hearing with private sector witnesses on February 16, 2023 during which committee members expressed bipartisan support for updating existing trade laws.

Next Steps:

- CBP will continue to engage with the trade industry as new modernization ideas formulate and Congress considers customs legislation.
- For more information on 21CCF, please visit <https://www.cbp.gov/trade/21CCF>

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